


CAZON
XC2
-1953
C21
V.X1

Correspondence
Published



Digitized by the Internet Archive
in 2022 with funding from
University of Toronto

<https://archive.org/details/31761114664477>

CA20N
XC2
— 1953
C21 v.11

Government
Publications



ONTARIO

PROCEEDINGS

of the

**SELECT COMMITTEE APPOINTED BY THE LEGISLATURE
OF THE PROVINCE OF ONTARIO, TO ENQUIRE INTO
AND REVIEW THE CEMETERY ACT AND REGULATIONS
MADE THEREUNDER.**

— 0 —

Mr. J. N. Allan, Chairman, Presiding.

Mr. John Scott, Secretary.

— ‡ —

VOLUME XI

Tuesday, January 5, 1954.

Toronto, Ontario.

(Mrs) J. A. Wilde,
Official Reporter,
Parliament Buildings,
Toronto, Ontario.

-1174-

METROPOLITAN
TORONTO
LIBRARY

Municipal Reference

E L E V E N T H D A Y

Toronto, Ontario,
Tuesday, January 5th, 1953,
10:30 o'clock, a.m.

- - - -

The further proceedings of this Committee
reconvened pursuant to adjournment.

P R E S E N T :

Mr. J. N. Allan, Chairman,
 Presiding.

Messrs. Allen (Middlesex South),

Hall,

Root,

Sandercock,

Gordon,

Whitney,

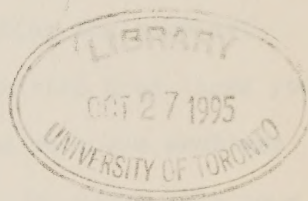
Thomas (Ontario),

Hanna,

Mr. John Scott, Secretary.

Dr. A. E. Berry, Advisor to the Committee,
 from Department of Health.

Mr. Walker Counsel for the Committee.



- - - - -

A P P E A R A N C E S :

Mr. James H. Edwards, Representing the
Memorial Gardens Association
(Canada) Limited.

RECEIVED

METROPOLITAN
TORONTO
LIBRARY

Toronto, Ontario
January 10, 1980
Mr. [illegible]

The further progress of this Committee

**METROPOLITAN
TORONTO
LIBRARY**

Municipal Reference

50
344.7/304
05635

APR 2 1980

Mr. [illegible]
[illegible]
[illegible]

Mr. John P. Robarts, (London), On behalf of
the Memorial Gardens Assoc-
iation (Canada) Limited.

- - - - -

THE CHAIRMAN: Gentlemen, I had delayed the opening of the meeting for a little time. I know there are two other members of the Committee in the Building, and I had hoped they would be here and would have heard the discussion from the beginning, and perhaps save the necessity of going through it a second time.

However, we will not wait any longer. I might say to whoever is representing the Memorial Gardens Association, that the Committee have asked you to come this morning to help them on a few problems which have presented themselves. We would like your views, not necessarily as entirely representing your own Company, but representing the type of Company which you operate with the thought of drawing upon your experience.

One problem has to do with the method of selling lots. During appearances which have been made before this Committee, there have been objections to house-to-house selling, and we would like, from your experience, to obtain from you, the result of that experience as to whether that is the only way it can be

done, whether there are other ways it can be done, and if so, what other ways. That is one of the problems we want to discuss with you.

There is also the matter of the continued ownership of the Memorial Gardens cemeteries, as set out in your brief, in which you state that at the end of ten years, the cemetery will be turned over to the employees.

I might tell you that one of the problems which this Committee has been endeavoring to solve has been the possibility of a cemetery being filled and not having sufficient money on hand to do a good job in the upkeep of that cemetery.

It is the hope that there might be a plan devised which would have to do, of course, with new cemeteries, which would assure the person who bought the lot in that cemetery, that within reasonable possibilities, it would be taken care of. Things might happen which would upset everything, we realize that, but within reasonable, normal progress, we feel there should be a perpetual fund created sufficient to assure the upkeep of that cemetery, and to prevent what is now happening to a great many cemeteries, that they become abandoned and must finally be taken over by a municipality, after the cemetery has been practically

filled. At that time, there is no revenue naturally, all the lots being sold.

From the representations which have been made to this Committee, the operation of a cemetery does not particularly appear to be a profitable one at that stage. Presentations which have been made do not indicate that the opening of graves is remunerative. It seems to be quite a good charge. However, when everything is considered, it does not look as if the operation of a cemetery would be particularly remunerative to the Company.

With that in mind, the Committee has given some thoughts to assuring the development of a generous perpetual care fund. They have thought, in their deliberations, that even if that fund were greater than was required for the upkeep of the cemetery, each year the interest of the fund would be paid into the operating account of the cemetery. If a greater amount had been set aside than was required, it would finally go back to the persons who were operating the cemetery in the form of a profit. Their thinking has been it would not be a hardship on a bona fide operator of a cemetery to require that fund to be generous, even more generous than might be necessary in some cases, and that the interest of

the reserve fund would go back to the cemetery in their operating account and would be as a profit in that year's operation.

That has been some of the thinking of the Committee, and with that in mind, we have asked you to appear this morning to discuss these problems.

MR. ROBARTS (M.P.P., London): Perhaps first, I should explain my presence here. I have not appeared before you prior to this time, but the Firm of which I am a partner, has been the General Council for Memorial Gardens since 1947, since they commenced operation in Ontario, and therefore, I have a decided interest in this whole question. I have not appeared before you before, but when you asked the Company to appear this morning, I thought I would take this opportunity to give you an idea or two which I have, on the whole problem.

In regard to your first question, Mr. Chairman, about which you are asking for information, Mr. Edwards, who is General Manager of the Memorial Gardens Company is here, and I think I will leave him to answer that. He is very familiar with the complete operation of the cemeteries.

As far as the second question is concerned, the idea of turning the shares over to the employees

is that, as time goes on, and the original capital investment is made to get the cemetery started, they become more or less self-perpetuating; as more grave spaces are sold, money is available, some of which goes into the perpetual care fund, and the balance is available for the development of the cemetery. In the course of time, it is returned to the owners of the Company in the way of dividends. These cemeteries will be in existence for a good many years.

As I understand it, your problem is that the employees will become shareholders and the cemeteries will become filled, and nobody will be in control of the situation at all.

THE CHAIRMAN: The employees would be the shareholders. There would be someone in control. It is not we would feel there is not someone in control, but we are very anxious that it would be a profitable operation for those who were in control.

MR. ROBARTS: It would be, it could not fail to be, until such time as the cemetery was filled, and at that time, the perpetual care fund would be established to a point where the income from it would take care of the entire cemetery.

The trust agreement which we have with the Trustee of the perpetual care fund provides that the

Trustee need not pay the income to anyone who is purportedly operating the cemetery if the Trustee does not think the money is being used for the cemetery, and that money may be paid out by the Trustee on an order of the Supreme Court obtained by anyone who is interested in the cemetery.

In other words, if I, as a lot holder, think the income from the perpetual care fund is being devoted too much to salaries rather than maintenance, I can put my case to the Trustee, who has power to cease payments, and the whole matter can be threshed out in the Supreme Court. The Judge can order the fund paid out to whoever he deems fit, which does answer one problem.

THE CHAIRMAN: I think the Committee will give further consideration to the possibility of the oversight of the spending of the money, as well as the raising of the money.

To be a rounded out action, it must follow it through, to see the money is spent properly. Just to require adequate money to be placed in a perpetual care fund is necessary, but it is just half the job, and to round out the whole job, I know the Committee will give consideration to that.

MR. ROBARTS: One other point - - and I am

not going to take too much time -- is that the whole principle of pre-need selling falls in line with our entire social development today. I pay for my doctor before I am sick, and I pay for my hospital, before I need to use it. In fact, one industrial firm I know of carries \$1,000 life insurance policies for every one of its employees merely to relieve the necessity of having to meet its commitments when the breadwinner dies.

This scheme has received very wide public acceptance, and it is obvious to me -- and I think to you -- that the general public like the idea. It is something which fits in with everything they are doing. It fits in with the whole method of a man financing his life as he does today. Everything is in the nature of insurance.

We try to anticipate our expenditures before they arrive. The Company has some 75,000 grave spaces sold, which to my mind, is an indication that the scheme is such that it is wanted by the public. There is a definite call for it, and they like it.

Some control must be exercised. Frankly, we are very anxious to see it, because any business which is well regulated, is a better business for the individual who operates within it. Perhaps I would



ask Mr. Edwards to speak to you about selling.

THE CHAIRMAN: Have you any of the cemeteries which are completely sold out?

MR. ROBARTS: We have not, no.

THE CHAIRMAN: Which would be your older ones?

MR. ROBARTS: The oldest cemetery would be in London.

THE CHAIRMAN: What percentage of that would be sold out now?

MR. ROBARTS: I do not know what percentage.

MR. EDWARDS: About 40%. Perhaps, Mr. Robarts I can amplify that a little later and explain to you how we sell it.

THE CHAIRMAN: Would you prefer we listen to Mr. Edwards now, and any problem the Committee have, could be discussed with you later?

MR. ROBARTS: That would be fine.

MR. EDWARDS: I think probably I should explain our operation of a cemetery. We do not sell row on row of lots as we go through. We sell approximately 50% of an area which provides, first of all, for the establishment of the perpetual care fund, for the building of the garden and so on.

THE CHAIRMAN: How many acres do you consider

comprise a garden, roughly?

MR. EDWARDS: About three to five acres, depending upon the topography of the land and so on. We therefore have approximately half the garden left after the first round of sales are over. We have the garden built, and then we only have to provide maintenance. We will probably develop a 50-acre tract over a period of seven or eight years, and end up with about half of it sold, fully developed and finished.

THE CHAIRMAN: In seven or eight years?

MR. EDWARDS: Yes. Of course, that depends upon sales. We commit ourselves on our contracts to our customers to build the garden within two years, but invariably we are short of that time, and it is usually done within one year. In a new cemetery, we commence building one garden immediately.

THE CHAIRMAN: Would you not be anxious to have the garden built before any interments are there?

MR. EDWARDS: Yes. We immediately start to build the garden.

THE CHAIRMAN: You mentioned you sell 50% of the available lots in that particular garden. Before you started to sell the garden which was undeveloped, would you not continue to sell in the garden which was developed?

MR. EDWARDS: No, because we want to provide funds to build the second or third garden. You see, a person does not buy a specific lot at the time of sale. He comes along later, and goes out to the property and makes a selection at that time. If, in the intervening period, there is a death in the family, they would be taken out to the cemetery and would make a selection in a finished garden.

THE CHAIRMAN: I see.

MR. EDWARDS: We would not bury anybody out there.

THE CHAIRMAN: I could not understand how you would develop the garden afterwards.

MR. EDWARDS: There is a time elapse between the time the contract is entered into and the time of selection. It might be two weeks or eight months.

THE CHAIRMAN: It might be three years.

MR. EDWARDS: Not likely, because if they have not made the selection within six or eight months, we call them on the 'phone and ask them to come out.

THE CHAIRMAN: You would have developed the second garden in the meantime?

MR. EDWARDS: Yes. We are not anxious to have many contracts on our waiting list.

THE CHAIRMAN: I think there has been a

THE HISTORY OF THE
CITY OF BOSTON
FROM THE FIRST SETTLEMENT
TO THE PRESENT TIME
IN TWO VOLUMES
BY NATHANIEL BENTLEY
OF THE BARR

VOLUME I
FROM THE FIRST SETTLEMENT
TO THE YEAR 1700
CONTAINING
A HISTORY OF THE
CITY OF BOSTON
FROM THE FIRST SETTLEMENT
TO THE YEAR 1700
IN TWO VOLUMES
BY NATHANIEL BENTLEY
OF THE BARR

misunderstanding as far as public opinion is concerned, as far as your practice is concerned. We have had presentations which have suggested that before a lot could be sold -- and they have been no doubt directly referring to your Company or to some others -- that the garden must be developed, and it was the thought of those persons that they bought a lot in a garden which was not developed, and if there was a death, they buried in that garden.

MR. EDWARDS: That is not so. Even if they have a selection in an undeveloped garden, we would transfer them to a developed garden. It is a misconception.

THE CHAIRMAN: You do not do a great deal of selling ahead of development, do you?

MR. EDWARDS: No, we would not do a great deal of selling ahead of development. In fact, our selections would pretty well indicate to us what we would develop in the next year or so.

THE CHAIRMAN: It really would not be any great hardship if you had to have the land developed before you sold it, because I remember your solicitor, when he appeared before this Committee, pointed out that in his opinion, there should be a deposit made. I would not like to say the exact figure, perhaps it

was \$25,000, which would be deposited as good faith, as an evidence of good faith, that the Company was going to go ahead. That would be deposited in lieu of the perpetual upkeep fund which could be withdrawn as the perpetual upkeep fund was built up.

MR. EDWARDS: In our opinion, there are only two problems in regulating cemeteries in Ontario. There are many minor problems, of course, but we are completely satisfied that the public wants our type of operation. However, there have been abuses in the past, such as selling for speculation. Some of the older commercial cemeteries in Ontario have large blocks of land sold for speculation. That has not been the case in latter years.

We do not allow a family to buy more than six grave spaces. We will not accept a contract for more than six grave spaces.

THE CHAIRMAN: To follow that through, what happens in this instance; supposing a man buys six grave spaces, probably a father who has a son who may be married. I know, because I have bought a lot. You buy a full lot -- at least, I did, and I do not know why I did -- but you have a family and you think at that particular time perhaps they will all be buried in that lot. However, in all probability, they are not,

and it is more likely they are not than they are.

Supposing that person buys six graves, a father purchasing them for the use of his family, perhaps his wife, and son and daughter. They are married and have a family and want a lot of their own. What can that man do? He has need for two grave spaces, but what about the other four?

MR. EDWARDS: I do not quite agree with you, Mr. Chairman. I think most families, if they still live in the same community, would be likely to want to be buried in a group.

THE CHAIRMAN: Supposing they do not?

MR. EDWARDS: Supposing he moves away. We will transfer anywhere in Canada, without charge to the customer, all or a portion of the customer's lot. We have that every day. People are moving from Winnipeg to Toronto, and so on, and we transfer their lots from Toronto to Winnipeg or Winnipeg to Toronto.

THE CHAIRMAN: Supposing he did not want the transfer? Supposing he does not have any use for it? This is just a supposition.

MR. EDWARDS: We would probably undertake to sell it for him. All cemeteries are subject to that condition, all over. There are hundreds of lots in cemeteries which are exactly in the same condition.

Almost invariably, where there is a death in the family, there is one grave space sold for the burial and anywhere up to six or eight held for future use, pre-need, and eventually, usually the lot is taken back.

THE CHAIRMAN: The lots are taken back?

MR. EDWARDS: Yes.

MR. THOMAS (Ontario): What if he wanted to sell without consent of your Company. Do you do that?

MR. EDWARDS: Yes.

MR. THOMAS (Ontario): Would the speculation angle enter there?

MR. EDWARDS: Not if we limit the number of grave spaces which they buy in the first place.

MR. THOMAS (Ontario): If he bought six and only used two, he would be able to get rid of the other four any way he liked?

MR. EDWARDS: That is a point, of course, but my point, as far as speculation is concerned, I know a cemetery where blocks of 300 grave spaces have been sold to one person.

THE CHAIRMAN: We do too.

What would you think of a requirement of a cemetery, being required to take back the lots at a reduced price, naturally, to care for the service?

THE
HISTORY OF THE
CITY OF
NEW-YORK
FROM
ITS FIRST SETTLEMENT
TO THE PRESENT TIME
IN TWO VOLUMES
BY
J. M. SMITH
OF THE
NEW-YORK LEGAL COLLEGE
AND
OF THE
NEW-YORK BAR
PUBLISHED BY
J. M. SMITH
NEW-YORK
1845

THE
HISTORY OF THE
CITY OF
NEW-YORK
FROM
ITS FIRST SETTLEMENT
TO THE PRESENT TIME
IN TWO VOLUMES
BY
J. M. SMITH
OF THE
NEW-YORK LEGAL COLLEGE
AND
OF THE
NEW-YORK BAR
PUBLISHED BY
J. M. SMITH
NEW-YORK
1845

Would that stop speculation?

Of course, you discourage speculation, but I think I can tell you, in the province at the present time, lots are being sold and the persons who are buying them are encouraged to speculate. What would you suggest should be done to stop the encouragement to speculate?

MR. EDWARDS: One possibility would be it could only be sold back to the cemetery, that the person cannot transfer a lot, but, of course, then it might put the purchaser in a bad position, because unless you fix the price for which he re-sells it, it is bad.

Another alternative would be that it could not be sold for a higher price than he paid for it. Our average sale is three grave spaces, quite a few two grave spaces and four grave spaces are sold, and the average is about 3.2; roughly, three grave spaces. There might be cemeteries selling on that basis, but I thought it had died out.

THE CHAIRMAN: One of the members of the Committee mentioned at a session last week that it was continuing.

MR. EDWARDS: Another point which we feel is dangerous is the sales agency contract. In New York

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes the need for transparency and accountability in financial reporting.

2. The second part of the document outlines the various methods and techniques used to collect and analyze data. It includes a detailed description of the experimental procedures and the statistical analysis performed.

3. The third part of the document presents the results of the study. It includes a series of tables and graphs that illustrate the findings of the research. The data shows a clear trend of increasing activity over time.

4. The fourth part of the document discusses the implications of the findings. It suggests that the results have significant implications for the field of research and may lead to further developments in the future.

5. The fifth part of the document concludes the study. It summarizes the main findings and provides a final statement on the importance of the research.

State, I have had a bad experience with that, and we believe it is a bad thing for the cemetery where a promoter takes a contract to sell grave spaces for the owner. The promoter actually has no interest in the cemetery, just in making sales, and making some money.

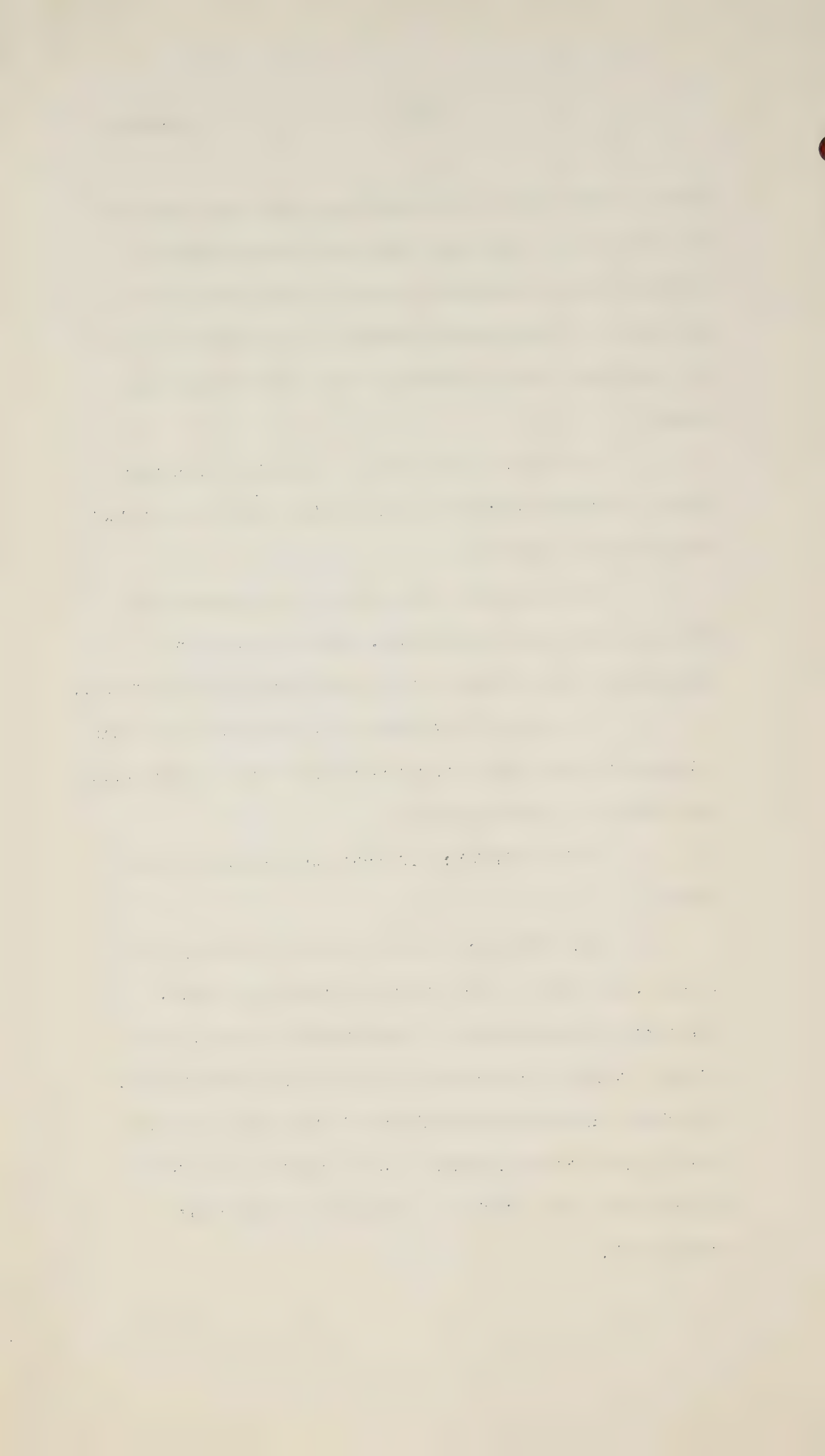
As far as I am aware, there has been very little of that in Ontario, one or two, but it is a bad thing for the industry.

The question arose here a few moments ago when you were talking with Mr. Robarts about the ownership of this stock, and I might amplify that a bit.

Our idea is to attract a corps of long-term substantial employees, and toward that end we have made this offer to our employees.

THE CHAIRMAN: Is that an agreement or an offer?

MR. EDWARDS: No, it is not an offer, it is a concrete fact. The stock has been set aside. Cemetery superintendents, departmental heads in the office, sales representatives, and sales managers will all share in that distribution of the stock, and the idea is that we will build up an organization that is going to stay with us, and give us long-term management.



THE CHAIRMAN: Speaking of London, which we visited and is familiar to us, how many acres are there there?

MR. EDWARDS: 50.

THE CHAIRMAN: 50 acres in London, and you mentioned there is 40% of that cemetery sold now.

In the brief which you presented, you mentioned at the end of ten years that stock will be turned over to the employees. You will not have completed the sale of that cemetery in ten years, will you?

MR. EDWARDS: No, the cemetery will last 25 years.

THE CHAIRMAN: What kind of an agreement do you have with your employees there? You could not agree to turn that over to them in ten years, could you?

MR. EDWARDS: Yes, absolutely. I do not get your point, Mr. Chairman.

THE CHAIRMAN: I am trying to find out what you are doing.

MR. EDWARDS: I think you think we will turn it over after it is sold out.

THE CHAIRMAN: That is what it says in your brief, so we have reason to think that.

1890

1891

1892

1893

1894

1895

1896

1897

1898

1899

1900

1901

1902

1903

1904

1905

1906

1907

1908

1909

1910

1911

1912

1913

1914

1915

MR. EDWARDS: No, that is not the idea at all. I apologize.

Regardless of whether the cemetery is sold out or not, at the end of the ten-year period, the employees will get it, not the employees of that cemetery, but the employees of the whole organization right across the country. That is the reason we are distributing to all the employees, to make a concrete-type organization.

MR. HANNA: Will you share in that yourself?

MR. EDWARDS: Yes.

MR. HANNA: What will it be worth, have you any idea?

MR. EDWARDS: No.

MR. HANNA: What will the employees collect? Either a percentage or the figure?

MR. EDWARDS: It is like an insurance stock.

THE CHAIRMAN: Who will have control of the cemetery?

MR. EDWARDS: The employees, as a whole. I expect to get about 3% of the stock, and it will be split up all across the board. In other words, the employees are going to run it.

THE CHAIRMAN: It is not usual for the person who establishes a company to absolutely lose control of

it while he is still interested in it.

MR. EDWARDS: I realize that, but it is a fact.

THE CHAIRMAN: These persons who put up the money, as I remember in your brief -- and if I am wrong, I know you will correct me -- these persons who bought the property in the beginning and received their returns from a share of the sale of the lots, supposing the employees decided that the organization who was selling lots was not a very good organization and decided to replace it with another, do you mean to tell me they would have that authority?

MR. EDWARDS: I do not follow you.

THE CHAIRMAN: I understand that Memorial Gardens sells the lots. Is that right, the federal Company?

MR. EDWARDS: No, Memorial Gardens Association itself is only the managing-service company. Each individual company sells its own lots through its own employees.

THE CHAIRMAN: Each one does sell its own?

MR. EDWARDS: Each one has its own sales force, its own manager, and so on. Each is a separate identity and Memorial Gardens Association (Canada) Limited, the federal Company, provides



management, engineering, bookkeeping, accounting and so on, all the services. But the Memorial Gardens itself does not own the cemetery nor sell lots. It is the service company and the managing corporation that ties the whole thing together.

For instance, we have three engineers on the staff of Memorial Gardens Association, who are employed by Memorial Gardens Association, and their services are divided up amongst the thirteen companies.

THE CHAIRMAN: But the sale is entirely the responsibility of each individual company?

MR. EDWARDS: That is right.

THE CHAIRMAN: They employ their own salesmen?

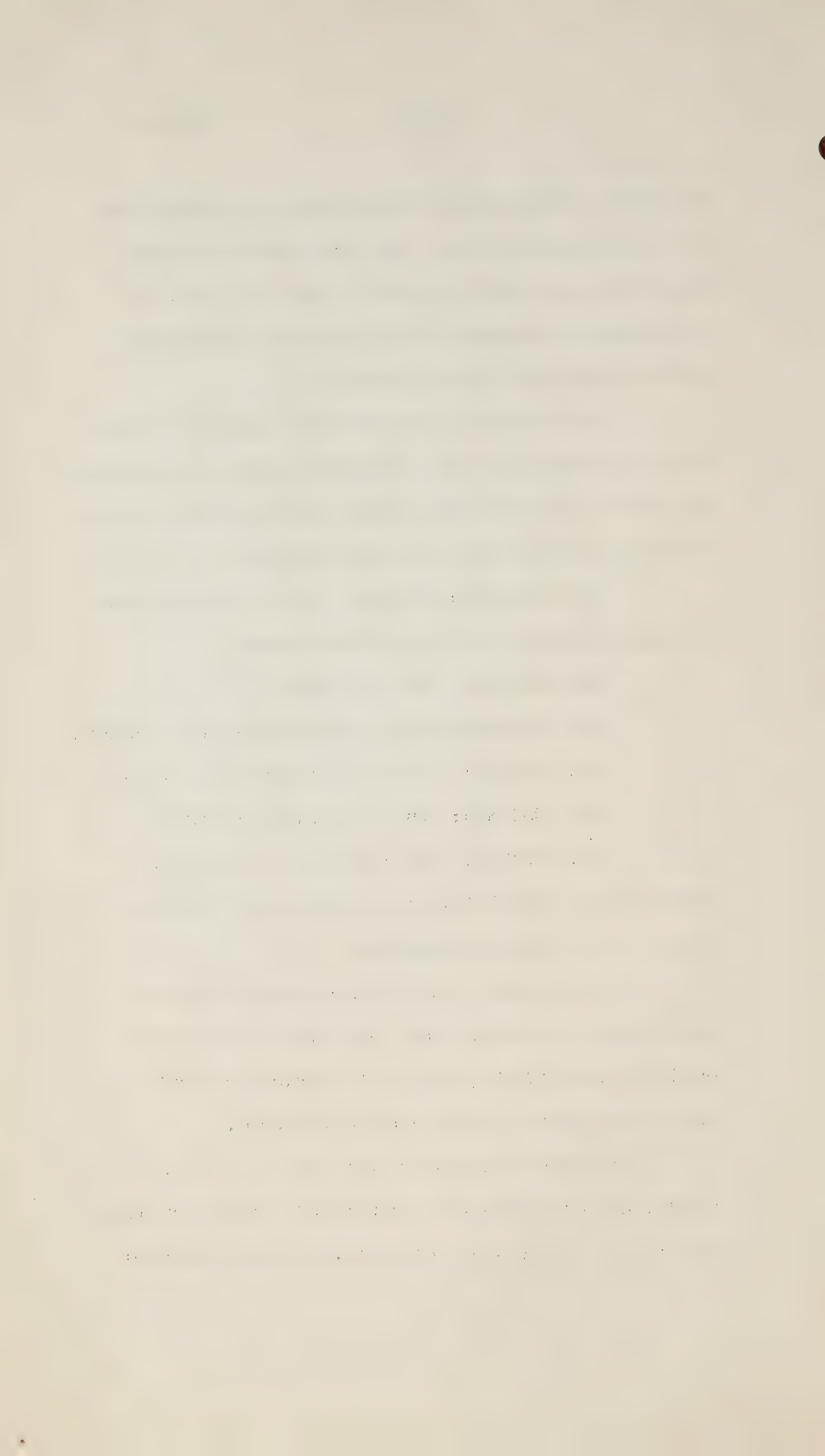
MR. EDWARDS: Under our supervision, of course.

THE CHAIRMAN: Who do you mean by "we"?

MR. EDWARDS: The executive at the Head Office of the Memorial Gardens Association. In other words, we set certain standards.

A year and a half ago, we decided that we would have to recognize that there were some abuses in the selling of the lots and we decided we would have to set certain standards for salesmen.

We have been doing that for over a year and a half, and our sales force now is of a better calibre than it was a year and a half ago. All our salesmen



are bonded, investigated, retail credit reports, and so on.

THE CHAIRMAN: But the definite responsibility i the responsibility of the individual cemetery, is it not?

MR. EDWARDS: Yes.

THE CHAIRMAN: That is, even although your Head Office does offer a managing service, the responsibility is still with the individual cemetery?

MR. EDWARDS: Yes, and the contracts are entered into between each individual cemetery and its purchasers and lot holders.

THE CHAIRMAN: I think there was some misunderstanding there. In preparing the brief, you have not made it very clear, and the understanding was of course, as pointed out there, the impression was the cemetery was sold out in ten years.

MR. EDWARDS: Apparently, our brief has not made that clear, and I am glad we could clear it up. Quite to the contrary, as a matter of fact, we want to offer these employees a continuing position, a lifetime job, and we want our cemeteries to be in existence in twenty-five or thirty years.

That is the whole reason for this stock transaction.

MR. ROOT: Is there any continuing body?
At present, 15% is required to be set aside for perpetual care. Is there any continuing body who, if the figure we set is not enough, will bring it up sufficiently to maintain the cemetery?

In a church or municipal cemetery, they take care of that, but in your set-up, is there anything for that?

MR. EDWARDS: I would not say there was. Of course, I think we have shown in our brief, that \$340.00 per acre is the present-day cost of maintaining it, and 15% of our sales will provide an income to intain it on that basis.

We do not say it will stay at 15%, because costs will go up over a period of years, but I believe the reason for many cemeteries having trouble in maintenance costs today is not the amount of the costs, but they have not set aside money many years ago, and now they are faced with acres of tombstones on which they had not set anything aside.

There is not one of our cemeteries which was not started on a perpetual care basis, and we have put in 15% or more. In addition to that, we have been putting in 10% of all our bronze sales, but we believe that if \$10.00 to \$15.00 per grave space is set aside,

it will be adequate for the foreseeable future.

THE CHAIRMAN: Do you sell the lots on the instalment plan?

MR. EDWARDS: Yes.

THE CHAIRMAN: Is that percentage taken over during the instalment or at the end?

MR. EDWARDS: At the end. The reason for that is, because out of the first payments, must come the operating expenses, sales campaigns, office expenses, and so on.

MR. GORDON: Do salesmen still go from door to door now?

MR. EDWARDS: Yes. I suppose you would call it door to door. Salesmen do not actually go pounding on doors. They survey an area, and the first concern is whether the family is permanent in the community and whether or not they own cemetery property. Having ascertained that, they make an appointment to see the husband and wife together.

Salesmen are absolutely forbidden to make a presentation to the husband or the wife separately. Two people must be there together and that is usually done. They make an appointment for a convenient evening. It differs materially, I think, from such door to door selling as brush salesmen and that sort of

thing, who go from door to door, and everybody is called upon.

THE CHAIRMAN: We have had cases where salesmen left their cards.

MR. EDWARDS: I am sorry, that is not our Company. We do not permit our salesmen to carry a card. I know who it was, but I am not prepared to say, but it certainly was not our Company. We do not permit them to carry cards at all.

THE CHAIRMAN: There is no doubt the question of door to door selling is a question for which there are arguments on both sides.

MR. EDWARDS: We realize that.

THE CHAIRMAN: And there is objection by some persons to the door to door selling of cemetery lots. I am not suggesting there should be an objection or there should not be, but from your experience, you have been in the cemetery business for a long while, do you think your operation could be carried on without door to door selling? "Door to door selling" is probably an unfair name.

MR. EDWARDS: It is an unfair name, yes.

THE CHAIRMAN: If what you say is correct, you might say they go by appointment, and appointment only, and it is not really door to door selling.

MR. EDWARDS: That is right, and a great deal of our sales are made by recommendation.

In other words, if I buy tonight and the salesman says, "Do you know anyone else who would be interested in this?", I might say, "Sure, my brother will be". Then the salesman would ask, "Where does he live?", and that is what we call recommendation. It is not possible, in all cases, but it is another way of getting an appointment which is not door to door at all.

THE CHAIRMAN: Supposing there have been some objectionable methods of selling, from your experience how do you think salesmen could be regulated? What can be done to assure if there were salesmen who may not be using desirable or proper methods of selling, that would be stopped? It does not look as if it could be wide open.

MR. EDWARDS: It should not be, sir. We are just as interested as you are in controlling this and I think possibly something could be done in the nature of real estate licensing, or licensing of some kind by a government department, to have a full investigation of each man the Company proposes to allow to go out and present the plan in the field.

We, ourselves, have commenced that to a great extent. We bond every salesman, and the bonding company tell us they do not plan losing any money on these bonds, and their method of stopping that is a thorough investigation of each man before accepting the bond. If the bonding company will not bond him, we will not have him.

We have never had any salesmen get away with any money.

THE CHAIRMAN: You do not take the bond with the primary object of protecting your finances?

MR. EDWARDS: No.

THE CHAIRMAN: You do take it in the hope that you will get a better personnel?

MR. EDWARDS: We take it for the investigation that goes behind the bond. That could be carried to a greater extent by some kind of licensing by the Government, I believe that should be done.

We would be very happy to go along with that. It has been my experience that the public want this proposition.

Thousands of families in Ontario and all across Canada have enthusiastically supported it, and as Mr. Robarts has said, it falls in with present-day thinking, and putting ahead for doctor bills, hospital

bills, and so on.

BY MR. THOMAS (Ontario): Do these organizations set up to ensure hospital bills will be paid and so on, operate on profit or non-profit?

MR. EDWARDS: I do not know.

MR. ALLEN (Middlesex South): Some of them are non-profit and others are profit.

MR. GORDON: I think the reason they buy on pre-need is because the salesmen impress upon them the need. Up in Brantford, at the cemetery there, if people want a lot, they go to the cemetery and buy one, and in 90% of the cases, the grave space is not wanted until there is a death in the family.

MR. EDWARDS: My answer to that, is, I am not familiar with Brantford to any great extent, but if the City of Brantford is operating a cemetery on a paying basis, -- do they balance their budget each year?

MR. GORDON: They have balanced their budget say, in the last ten or fifteen years of selling graves, but as you mentioned in your remarks about the older cemeteries, they have fallen heir to a tremendous number of acres of grave spaces for which no perpetual care was collected, and that has happened in the City of Brantford.

A sufficient amount was not collected years ago, and the taxpayers, through the City Council, have had to subsidize the cemetery through that condition, but what they do today is paying for itself. However, they have to take care of what happened in the past by setting aside certain amounts each year.

MR. EDWARDS: I would say that ^{for} practically every grave space that is sold, there is at least one pre-need grave sold with it, almost invariably.

THE CHAIRMAN: In any cemetery?

MR. EDWARDS: Yes, almost invariably. The first death in the family means the family will then buy one or more grave spaces.

MR. GORDON: I agree with that. Families do provide for probably the wife and someone else.

MR. EDWARDS: I think our case for pre-need selling goes back to our method of building a cemetery. The old method of building a cemetery was to enclose it with a fence and start burying in it and build a few roads, and over a long period of years, the property was gradually developed into a nice cemetery, or else it went downhill to a failure.

However, our method of development shows we are certainly giving to the province of Ontario, beautiful cemeteries, and it is dependent upon going



out and getting a certain volume of sales in the first four to six years and developing the whole property. At that point, our sales programme will practically be withdrawn.

We are depending upon this high volume of sales in the early stages of the cemetery to build it, but at the same time, we are giving our perpetual care fund a good start as well, and that is the basic thought. If we have to stop pre-need selling, the whole plan falls apart.

THE CHAIRMAN: Do you think your cemetery could sell by advertising commercially?

MR. EDWARDS: I do not think so. It has been tried in the United States on radio, by newspapers, brochures, booklets, etc.

THE CHAIRMAN: The basis of your selling is personal solicitation. Is that phrase better than "door to door"?

MR. EDWARDS: "Personal contact".

MR. GORDON: And hours of wearing them down.

MR. EDWARDS: That is not so, sir. Our salesmen have an exactly-worded presentation. The Company proposes they use this presentation and they are not permitted to deviate from that. I cannot say it word for word, but the ideas contained therein

must be presented, and they are not permitted to present it in any other way.

MR. WHITNEY: What about selling on commission? How can you be sure the salesman will not exaggerate certain things, and make some minor misrepresentations?

MR. EDWARDS: You immediately start to get phone calls and that is the first indication you have of a bad salesman, and you get rid of him.

MR. ROOT: There is one thought I would like to present. Mr. Edwards, you said the public were asking for this type of cemetery, and it is hard for me to take that statement with the statement that you cannot sell without door to door salesmen, when the other cemeteries do sell without door to door salesmen.

MR. EDWARDS: There again, we are back to the basic method of building a cemetery. We have to depend upon a high volume of sales for the early stages of our company.

It probably costs us between \$5,000 and \$10,000 per acre, and we have had certain gardens which have cost as much as \$12,000 an acre, to develop. If you have 50 acres of cemetery and you need half a million dollars, you cannot get anybody to put up that amount of money to build a cemetery.

It must come from sales and we have found we are able to produce this amount of sales in the first five or six years, and then the sales campaign is more or less at an end as far as that property is concerned, because, in addition to the building of the cemetery, we have established ourselves in a community.

There is an old saying in the cemetery business that if you have 3,000 lot holders, you cannot fail, you are a success. By getting this volume of sales, we have established ourselves in the community, and the need for personal solicitation is over, because people are then coming to us.

THE CHAIRMAN: Supposing this Committee were to recommend that the pre-selling of lots might be placed on the same basis as pre-selling of insurance, that is, if someone found at the end of a certain period, they did not require that lot, there could be an agreed price upon which the cemetery might take it back.

(page 1206 follows)

MR. EDWARDS: That is agreeable.

THE CHAIRMAN: That would seem to me to take away the objection of some person buying something that cannot be of any use to him.

MR. EDWARDS: Providing it is a reasonable reason for taking it back.

THE CHAIRMAN: It would have to be taken back, of course, for less than the price that had been paid for it, because there has been service and selling costs, and whether you pay your salesmen a salary or commission, that is completely lost, and the same happens with insurance.

If I cancel a three year policy of insurance at the end of the first year, I do not get two-thirds of the money back, but only part of that.

MR. EDWARDS: I agree with you, certainly.

THE CHAIRMAN: There is one other little thing I wondered about. I wondered whether there was some misunderstanding about this: when Mr. Sedgwick was before the Committee I was not sure he was definitely informed. You have an insurance scheme in the sale of your lots or what amounts to an insurance scheme. If a person buys a lot for himself and his wife, and the breadwinner dies within a certain time, what do you call that?

MR. EDWARDS: It is what we call our protection agreement.

THE CHAIRMAN: I asked Mr. Sedgwick supposing that happened, did your company put the amount of money that would accrue towards the perpetual fund, did you put that in, and he said he did not think so.

MR. EDWARDS: We do. We put the full amount of the perpetual care that would accrue on the original sale in the perpetual care fund.

THE CHAIRMAN: Otherwise your perpetual care fund would suffer.

MR. ROOT: With equal rights for women, who is the breadwinner?

MR. EDWARDS: We have deeded lots to women. I recall one case of a mother and her daughter, the daughter was the purchaser of the lot and she died. She was supporting her mother and we deeded the lot to the mother.

MR. ROOT: Supposing both the man and wife were working?

MR. EDWARDS: We have to draw the line somewhere.

THE CHAIRMAN: I am not forecasting any report this Committee will bring in, but if I have

been able to read the minds of the Committee as they have listened to a great many presentations, I think there will be a tightening up of audits probably.

You put your money into an irrevocable trust which is fine, but I do not suppose presently there is any inspection made to see the money is paid in.

MR. EDWARDS: We have never had an inspection.

THE CHAIRMAN: But you would have no objection, naturally.

MR. EDWARDS: I would welcome it.

MR. WHITNEY: Don't you think with the arguments that you have at your disposal and we have been presented with the total cost of the cemetery plots plus the cost of the bronze marker, that it is so much less than the cost of the tombstone - at any rate some tombstones - and also the fact of pictures and so on, and also that you have had a start on a number of these cemeteries, that 20% sales commission which you pay would go a long ways in providing other means of advertising. It would seem to me that you have sufficient arguments at your disposal to have a real, good, excellent competition for the other type

of cemeteries, and the general public does seem to object to the salesmen calling.

We have had cases where they stated they were advised to come by some one else, and the other person never advised them at all. There have also been cases - I do not say it is your organization - but that method of approach has been used, and various other methods which certainly show there is a large percentage of public opinion which does not agree with the house-to-house canvassing method.

MR. EDWARDS: I freely admit there have been abuses in the past and I think that I am firmly convinced our type of organization is the right answer for the cemetery industry in Canada. I think the regulation of salesmen would take care of the things that you have mentioned there which are not liked by the public.

You come back again to the fact - and I have talked to many of our customers personally as I have sat in our office when they came to make payments - and it is really astounding the number who are tickled to death with what they have done.

I suppose there is a certain class of people, people in the high income brackets, who do not have any concern with providing anything pre-need, and



consequently they are not prospects for our type of organization. No doubt they would object to being approached, but I think generally if the Committee saw fit to regulate the type of person who was engaged in the business, that would solve a great deal of the difficulty.

THE CHAIRMAN: Of course I must not speak for the Committee, but I think any operation to be a good operation, it is ^{just as} essential to the persons who are responsible for that operation to see the personnel is good, and it is more important than for a government to be picking your men for you.

MR. EDWARDS: As I said, we have pursued that policy for the last year and a half and we have cleaned up our sales force, and practically every one of them is known to me personally, and I am satisfied that they are a fine group of men.

MR. HANNA: Who is president?

MR. EDWARDS: Edward L. Williams in Kansas City.

THE CHAIRMAN: Who is the president of your London cemetery?

MR. EDWARDS: He is, too.

MR. HANNA: . You have thirteen cemeteries. How many cemeteries are you looking forward to opening



in the Province?

MR. EDWARDS: I could not say.

MR. HANNA: How big will this business be?

MR. ALLEN (Middlesex South): It depends upon how fast the Province grows, I suppose.

MR. HANNA: Are there thirteen presidents, one for each cemetery?

MR. EDWARDS: No, just one president.

MR. HANNA: And the head office is in Toronto?

MR. EDWARDS: Yes, these are all Canadian corporations.

THE CHAIRMAN: Is the head office for each cemetery in the city in which it is located?

MR. EDWARDS: No, they are all here.

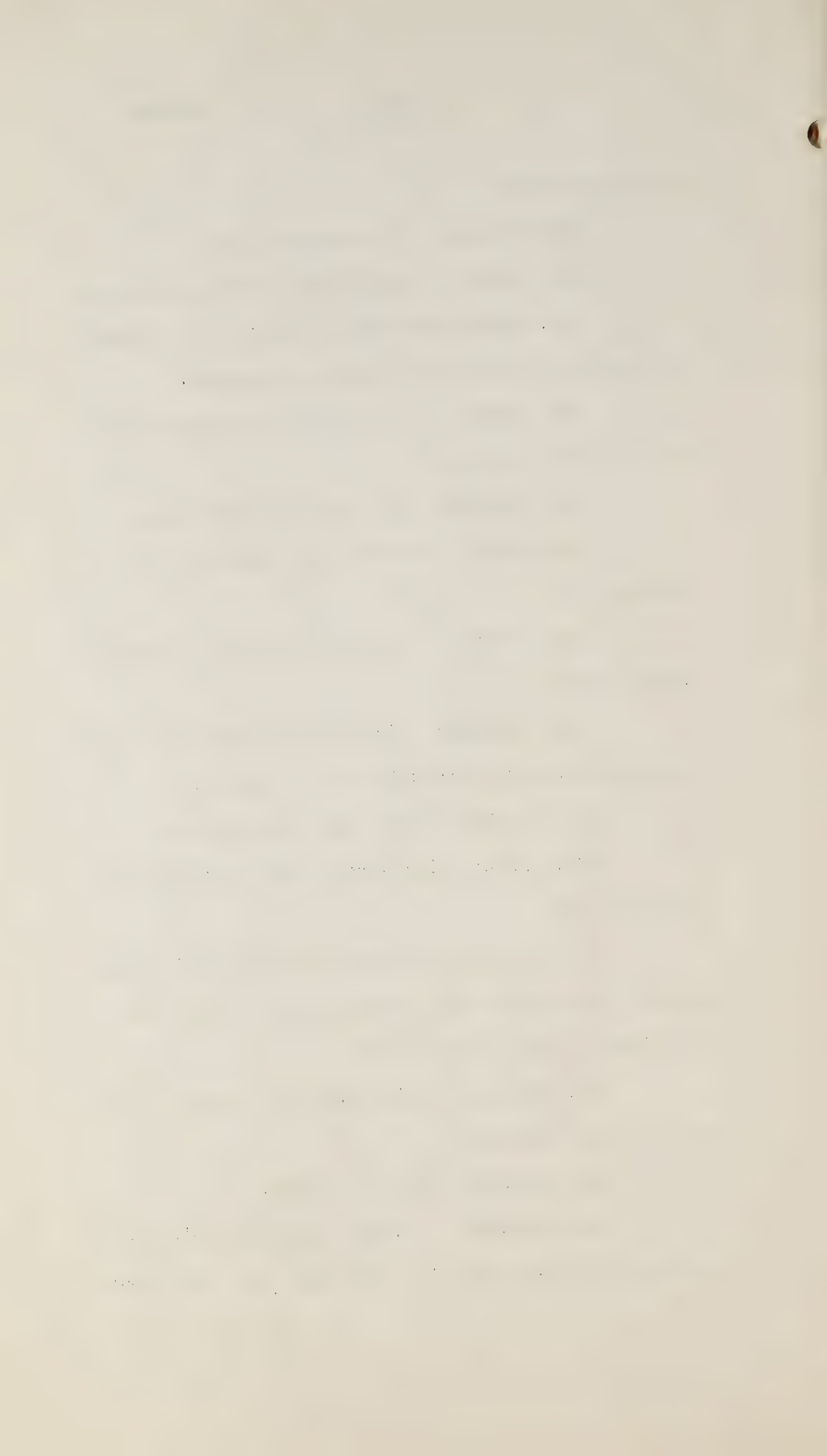
MR. HANNA: How much of the stock does the president get?

MR. EDWARDS: He does not have real control over it, it is under the control of the people who have invested their money in it.

THE CHAIRMAN: Only until the employees take over the cemetery.

MR. EDWARDS: That is right.

THE CHAIRMAN: In your agreement with the employees, do you give them a definite date as to when



they will receive this stock?

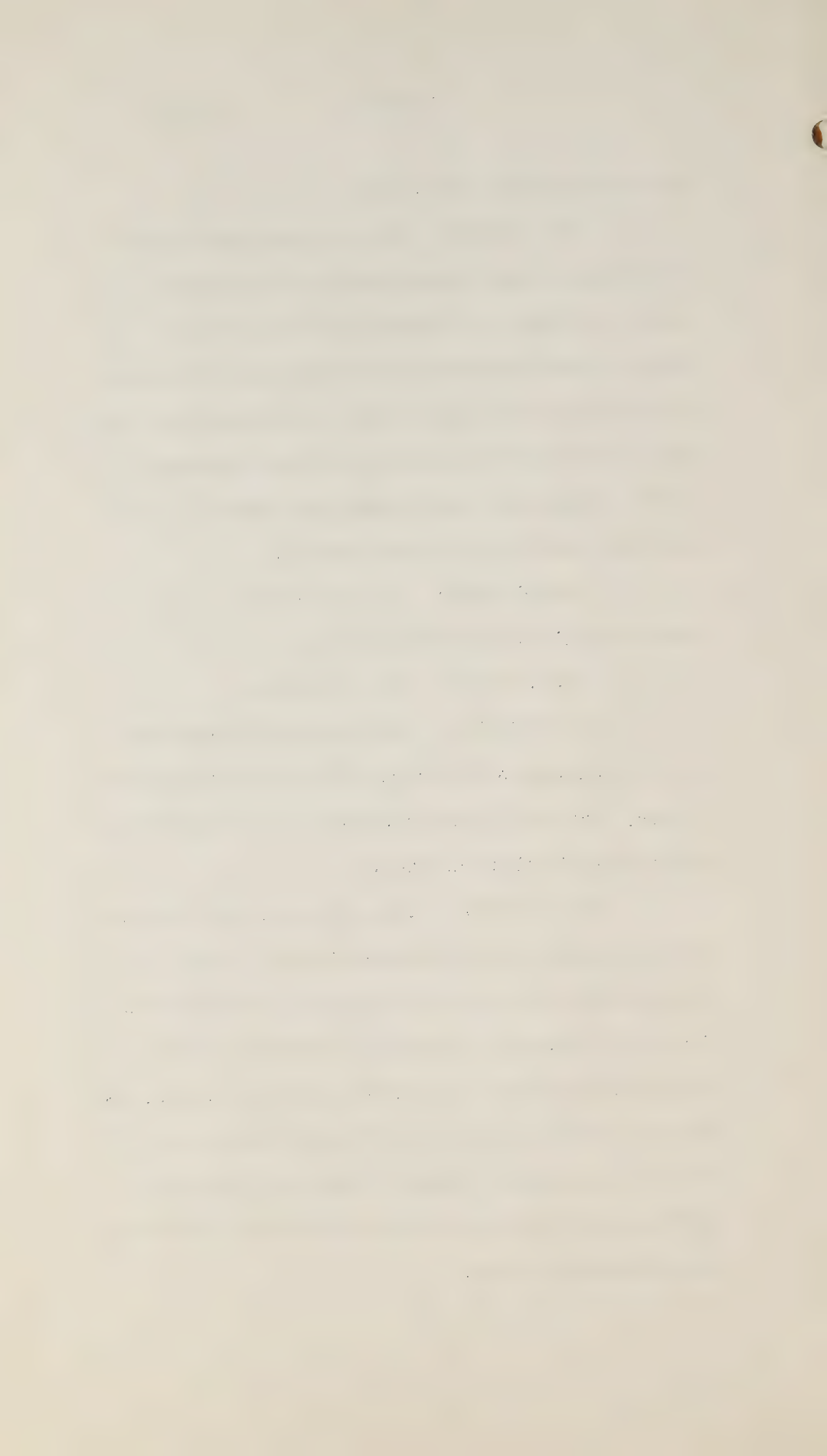
MR. EDWARDS: Yes, we have what we call a foundation trust company which is a separate entity, and they are actually going to receive shares in that foundation trust company at the end of four years from now, but the foundation trust is going to own all the shares in all the companies, and the foundation trust cannot get control of it until the end of the ten-year period.

THE CHAIRMAN: The ten years on each cemetery won't all come in at once.

MR. EDWARDS: That is right.

MR. WHITNEY: That stock is distributed over the employees of Memorial Gardens to the parent body, as well as the employees of the individual cemeteries, is that the idea?

MR. EDWARDS: Yes, of course the employees of the Memorial Gardens Association are minor. We have a total of about 400 employees, of which about 250 are in Ontario, you have all cemetery staffs, sales representatives and office staff and so on, and Memorial Gardens Association (Canada) Limited has about 15 employees. Three of them are engineers, and there are about 10 girls in the office, and so on, mostly executive help.



THE CHAIRMAN: When you mentioned 400 employees, that is in Canada?

MR. EDWARDS: Yes, and 250 of those are in Ontario.

MR. THOMAS (Ontario): And what percentage is on a commission basis?

MR. EDWARDS: We pay a total, between the salesman and the sales managers, of twenty-five and one-half per cent of the gross sales' price.

THE CHAIRMAN: This is all in the brief.

MR. ROOT: You said you cannot operate without door-to-door salesmen. What would happen if all the cemeteries adopted that principle? I am thinking of legislation, if legislation was made that door-to-door salesmen are all right, every cemetery will start selling that way and then what will happen?

MR. EDWARDS: I think we have to differentiate between commercial and municipal, do we not, to start with?

MR. ROOT: You have church cemeteries, and trustee cemeteries, and every prospective customer could have his doorbell rung three or four times if they all called. If there is nothing in the legislation to say either they are for or against door-to-door selling, and it is legitimate for everybody, and



you say it has worked out to your advantage, perhaps it will work out to everyone's advantage.

Supposing everyone adopted that method, will that be good, fair business?

MR. EDWARDS: I think probably it would. It would not hurt us any because we would still sell just as much.

MR. ROOT: Do you think it would be good for the cemetery business to have three or four organizations going around trying to sell cemetery lots?

MR. EDWARDS: I do not see anything wrong with it.

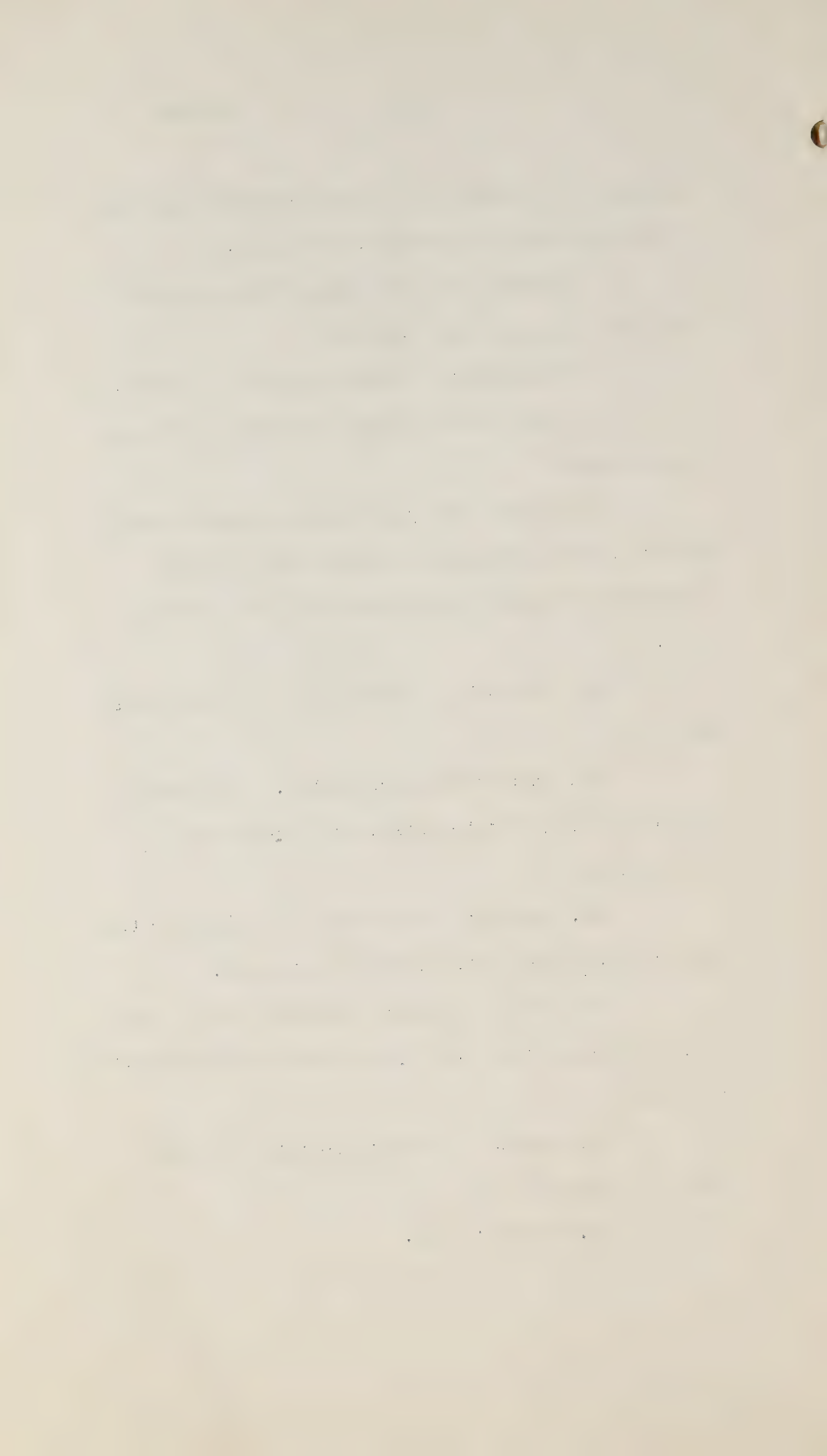
MR. ALLEN (Middlesex South): You might have twenty real estate offices all trying to sell real estate.

MR. EDWARDS: I have been canvassed in the last year by twenty-five insurance salesmen.

MR. ROOT: Insurance is different. That is something you can buy, or you cannot buy, whatever you like.

MR. GORDON: You have no patent on your type of cemetery?

MR. EDWARDS: No.



MR. GORDON: I know of some municipal cemeteries which are planning setting aside five or ten acres to develop them along the Garden-type of cemetery. I know in Brantford they are going to have a cemetery of which a portion will be of the Garden-type and the people have their choice whether they want tombstones or garden-type.

MR. EDWARDS: We believe that the cemetery business, especially in the urban centres, the cities, is such a specialized business now that it should not be run by municipal boards and trusts, because it is a full-time job.

It is my personal belief that it is a full-time job.

You have to contrast our type of organization with a municipal cemetery where the board meets once a month or twice a year, or something, and you compare that type of operation with an operation where there is a group of executives meeting every morning to thresh out the problems of thirteen cemeteries. When we find a way of saving \$100 in one cemetery, immediately it goes right across the board and we think what we spend in sales campaigns and commissions comes back to us in more efficient management.

I think that is my answer to whether or not

the municipal cemeteries and church cemeteries should get into the cemetery business.

I feel when you have a city of 50,000 or more, it is a real full-time business to run a cemetery.

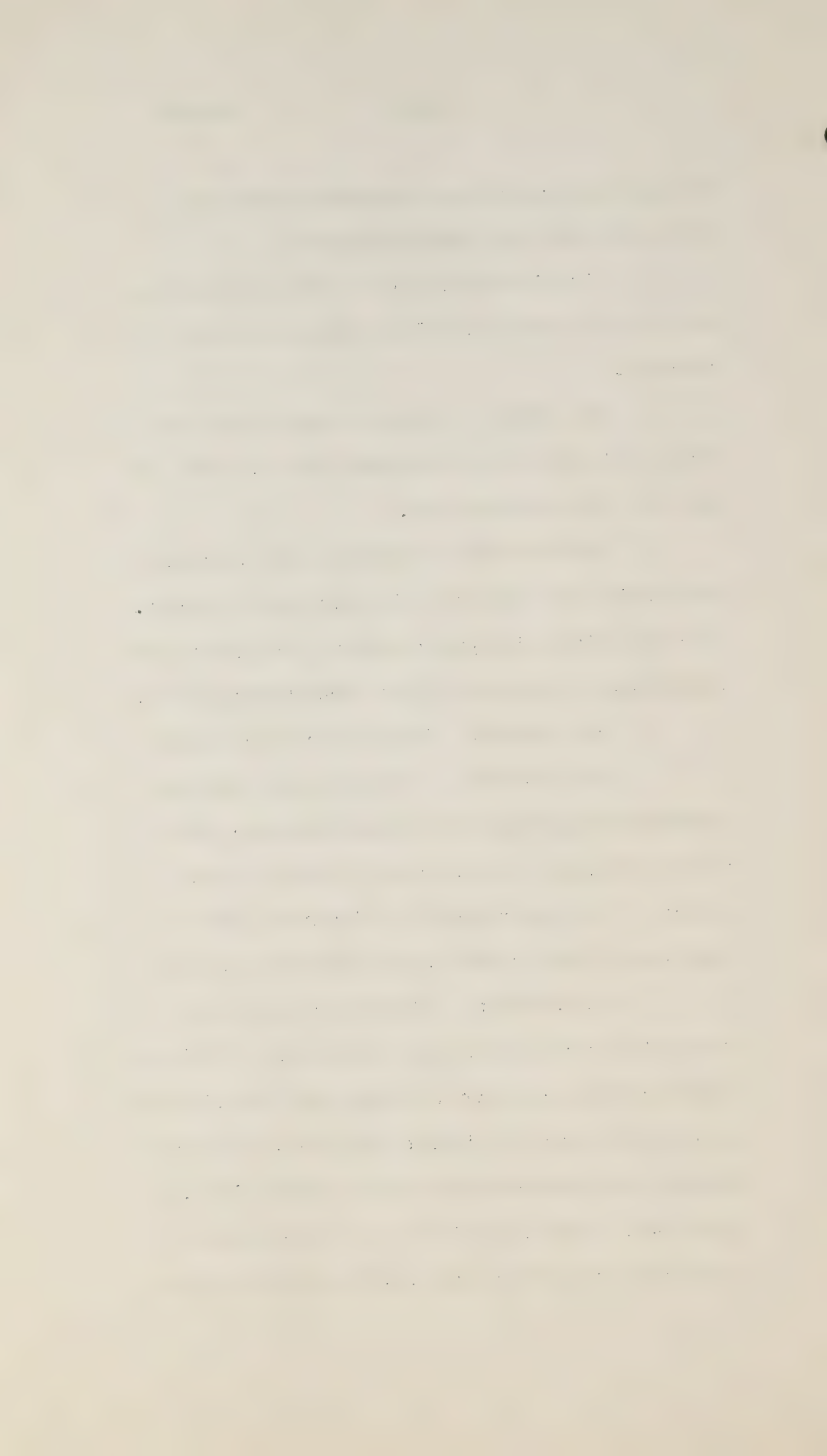
MR. HANNA: You have tried to tell us Memorial Gardens at one time were "not so hot", but now they are nice and clean.

THE CHAIRMAN: Would you like to state your policy with regard to the erection of plaques. I am not criticizing your policy at all, it is your opportunity to give us a clear understanding of it.

MR. EDWARDS: Do you mean foundations?

THE CHAIRMAN: I think we have had presentations suggesting that persons must buy their plaques from you, and we wonder if that is your policy. I am not saying it is incorrect, but I want you to tell us your policy regarding plaques.

MR. EDWARDS: I think our policy is the policy of all garden-type cemeteries. It is an industry which has grown up within the last 15 or 20 years, and we have all been faced with the same problem the old tombstone cemetery was faced with in this city. They finally had to reach the point where they control the size and the quality of the

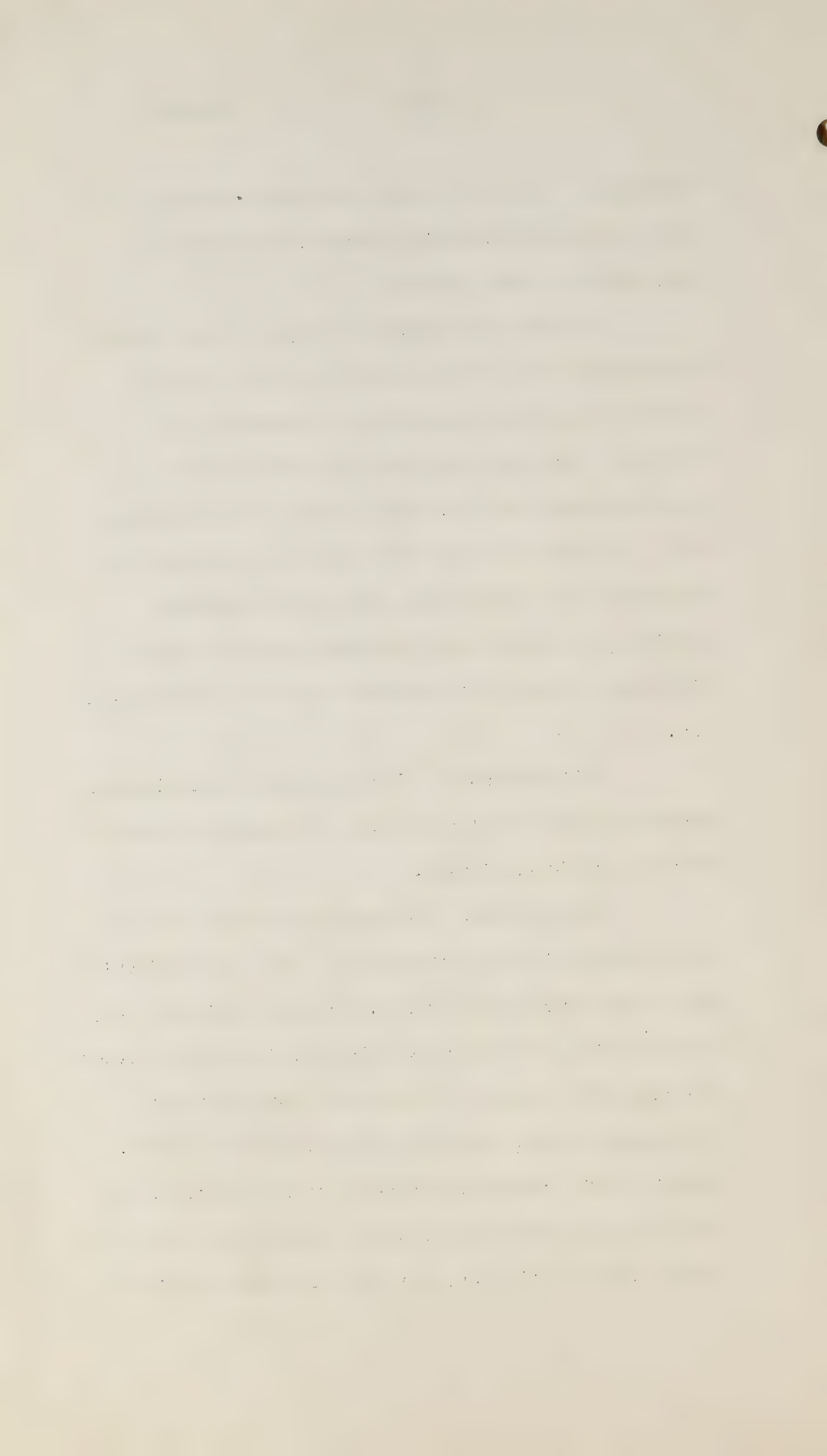


tombstone. We have reached the point of where we have found people bringing bronze to us that will turn green in three months.

We have not presented it yet to the Health Department, but we are going to present a set of specifications for bronze in our cemeteries in Ontario. Everybody will have to follow those specifications and we do not propose to keep anybody out. We want to control the erection, although our engineers were talking the otherday and thought possibly, providing the foundation meets our specifications, we will let outsiders erect the foundations too.

THE CHAIRMAN: We were even considering not permitting any outsider to erect a foundation anywhere. What do you think of that?

MR. EDWARDS: It would be alright, but we still believe in free enterprise. The only difficulty is, we get complaints about our charges, and what they do not realize is that they drive out in a car or truck and dump off a couple of pieces of bronze and say, "This goes on Mrs. Jones lot," or "This goes on Mrs. Brown's lot", and the superintendent has to go out and find the lot, stake it out so the workmen can place it on the stone of the lot, and cast the base and attach



the bronze to the base, and half a dozen other functions that all cost money.

It would be different if we could install all the bronze on every lot in a row in one afternoon, but one is away over here (indicating) and another is away over here (indicating) and we have to run all over the cemetery, and so on.

We do not make any money on installation. We took a time study on two or three of our cemeteries. We were charging \$20 or \$25, and in one cemetery the superintendent claimed it was costing us \$28 to erect a piece of bronze.

We do not have a policy of trying to keep anybody out. We have a policy of not permitting anybody else to put in a foundation, but we say perhaps in the very near future that we hope to set up specifications for the finish and type of bronze to go in our cemeteries.

THE CHAIRMAN: Again, I am not forecasting the report this Committee will make, but it might be that finally, because of recommendations, this Committee will make a very definite plan of inspection of cemeteries which will come into being.

MR. EDWARDS: There should be, sir.

THE CHAIRMAN: If that happened and an



inspector came into your cemetery and he found a plaque that was not sitting as it should be and someone else had prepared that foundation, you would immediately say, "I am sorry we did not build that foundation. You will have to find the fellow that built the foundation."

It might be easier for the inspector to find you. So I think perhaps if there are any regulations recommended it will be to try and make certain that what is done is done properly.

The fact that charges are complained about I do not think applies only to your cemetery. I think you can find other cemeteries who are not profit cemeteries, who have the same complaint.

MR. ROOT: How do you attach the bronze to the base of the concrete?

MR. EDWARDS: The bronze has a 4 inch leg, or whatever you call it, and depending upon the size, if it is small there would be two and if it is big there might be six of them, our models are arranged in such a way that these go through the base and are bolted on the other side right to the concrete.

MR. ROOT: We have had representations some are only accepting marble and granite monuments, and this bronze plaque with a concrete base is rather

shallow from the evidence I have heard. In 25 years, what is to prevent someone picking up the loose bronze, and walking away with it. You could not pick up a loose tombstone.

MR. EDWARDS: I think the answer to that would be providing we are going to have perpetual care all these things will be looked after when we look after the property. Of course, you cannot completely stop vandalism in any cemetery.

MR. ROOT: If the base went, would you provide another base?

MR. EDWARDS: Yes, if we provided the base.

THE CHAIRMAN: That is the reason for having the responsibility fastened in some way.

MR. EDWARDS: I think you are right, sir.

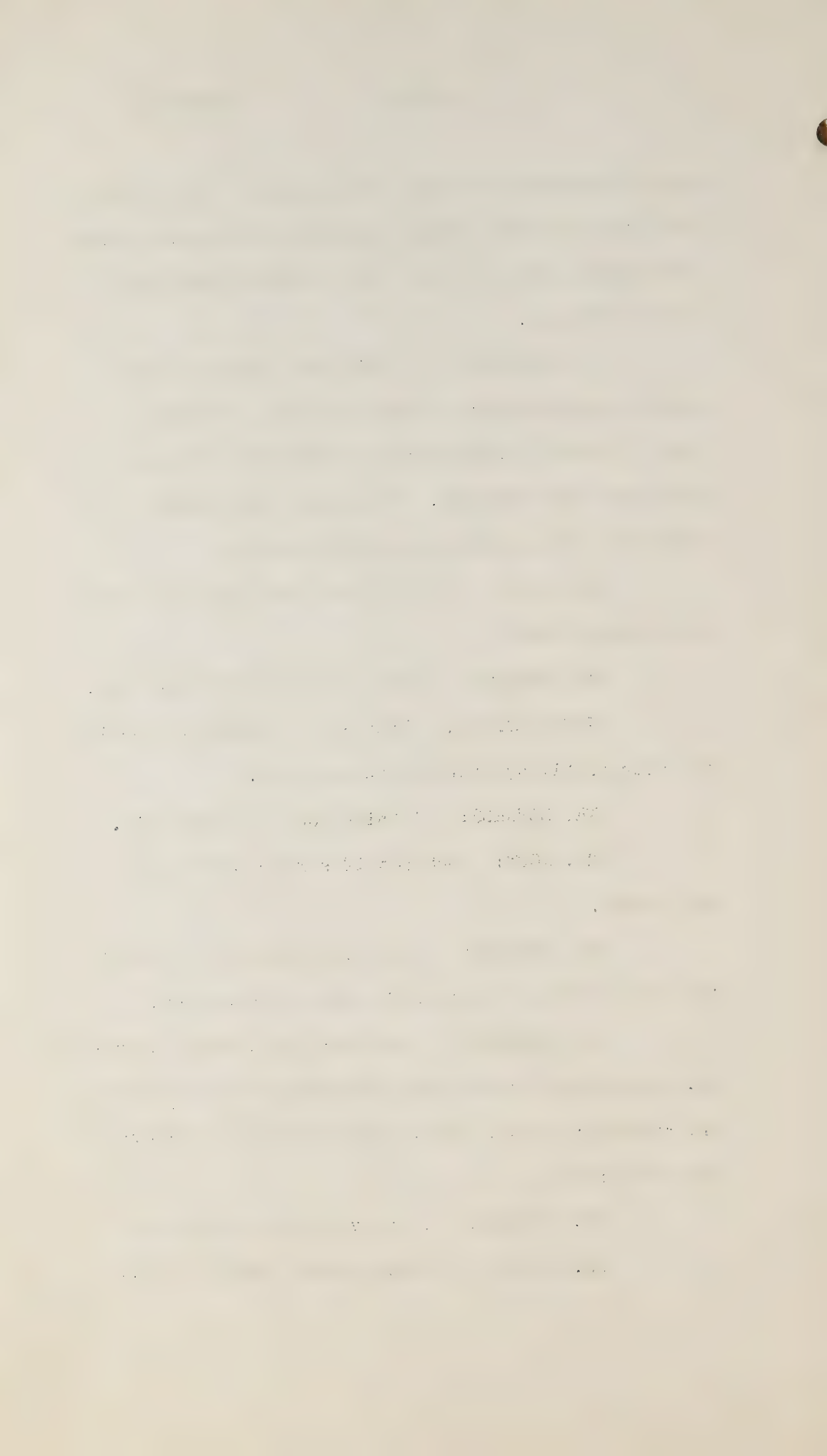
MR. ROOT: But not if someone else sold the bronze.

MR. EDWARDS: If we did the work, we would take care of it. We have the odd one break now.

THE CHAIRMAN: Are there any further questions? Mr. Robart might want to say something to the Committee. Mr. Edwards has been very co-operative and we appreciate his co-operation.

MR. EDWARDS: I am available at any time.

MR. ROBART: I had nothing further to add,



I think the situation has been thoroughly covered here, unless you have something you would like to ask me.

THE CHAIRMAN: I thought you might have something you would like to say to the Committee.

MR. ROBERTS: I do not think I have, thank you.

MR. THOMAS (Ontario): Mr. Roberts said he would comment on the licensing of salesmen. Do you think it is a good idea.

MR. ROBERTS: I think it is, yes. After all, that would give the government control of regulation of licensing of salesmen, and you mentioned it is the job of the business itself to look after its own members. I quite agree, but if these men are licenced by the government, if the government has complaints, it has authority over and above anything the company might do to regulate that salesman, the same as in the real estate business.

To-day, if a man contravenes the regulation, whether or not his employer is in sympathy, he is no longer licensed to sell. I think that is a control which would be very wise for the government to have.

THE CHAIRMAN: Have you any questions,
Doctor Berry?

DOCTOR BERRY: No, I have not any,
Mr. Chairman.

THE CHAIRMAN: Do any members of the
Committee have any questions they would like to ask
Mr. Edwards or Mr. Roberts?

I think that will conclude our session
this morning. I want to thank you again for appear-
ing and for your co-operative attitude.

- - - - -

---- Whereupon the further proceedings of this
Committee adjourned at 12.30 p.m.

- - - - -

